Swami Ramanand Teerth

Marathwada University, Nanded

Ph.D. Synopsis

on

"A Study of Saving and Investment Patterns of Self-Employed Women in Latur District"

Under the faculty of

Commerce

For the Award of Degree of

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-: By :-

Miss. Amruta Dinkar Savalsure

Research Scholar

(M. Com, M.A (Economics), B.Ed.)

-: Under the Guidance of :-

Dr. Vyankat Dhondiba Dhumal

Research Guide

Assistant Professor, Department of Commerce,

Rajarshi Shahu Mahavidyalaya, Latur (Autonomous)

-: Research Centre :-

Rajarshi Shahu Mahavidyalaya, Latur (Autonomous)

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1.1 Introduction :

"Do not save what is left after spending,
But spend what is left after saving."

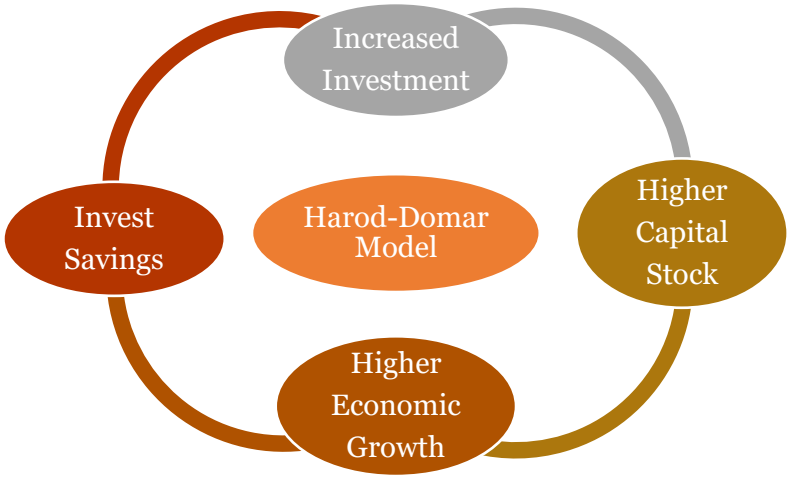
- **Warren Buffet.**

Any nation trying to expand its economy must rely significantly on investment. Gross Domestic Product (GDP) growth is boosted by investment. People in the nation must thus invest in a variety of investment opportunities. Investments basically have two sides – risk and reward. The investment portfolio is determined by the respondents' preferences for how they want to save money now for the future.

The link between investments and savings has remained constant throughout the past few decades. With the development of new investment possibilities in the age of digitization, India's pattern of saving and investing has advanced significantly. Traditional fixed deposits and gold investments have been avoided by the most of the people. They currently invest in mutual funds, securities like debentures, shares, etc.

The amount of savings is a significant element in influencing the rate of economic growth, according to the Harrod-Domar model of economic growth. Saving sufficient funds can end the cycle of poverty in developing nations like India. Savings are frequently seen as the main driver of economic expansion.

Graph 1 : Harod-Domar Model



As per World Bank Report 2021, in the world the savings as percent of GDP average saving of 137 countries was 23.14 percent. The highest saving found in Qatar at the rate 51.43%. India reported a 30.21% gross domestic savings as a percentage of GDP in the fiscal year 2021 and ranked at 32.

In India, self-employed people belongs in unorganized sector, and contributes 68% of income, 60% of savings, and 60% of the net domestic product (i.e., GDP minus depreciation).

1.2 Review of Literature:

The review of the literature aims to evaluate the challenges faced by researchers looking into the saving and investment habits of independent women. The conclusion of various researchers about the research on the saving and investing habits of women is summarized.

1. **Kansal, P., & Zaidi, N. (2015),** studied on'The investment behaviour of women in India'. In this research paper they focused on how Indian women invest their money. They found that, women investors focus on long-term growth and risk, but few have sufficient investment experience.

2. **Tiwari, R., & Tiwari, S. (2016)** stated in research paper entitled 'Women employment in unorganised sector in India: An empirical analysis'. They found that the average gender participation gap has been declining since 1971, but remains significant. There are wide interregional disparities in work participation rate, percentage of main workers and distribution of workers among principal occupational categories. Regression analysis revealed that socio-economic variables such as female literacy rate, per capita income, sex ratio and female work participation rate are significant determinants of women employment.

3. **Sadavarte, B., & Arora, A. (2019)** presented in their research paper entitled 'The saving and investment patterns of Indian households'. The study looks at how Indian households save and invest their money. In this study, they found that long-term investments yield higher returns than short-term and mid-term ones, and the Government's poor saving practises are to blame for the public sector's downward trend in savings. A good macroeconomic climate and structural reforms should lead to a rise in domestic savings.

4. **Swathi, U. (2020)** worked in research paper entitled 'Saving and investment habits of women in rural areas: A Study with reference to rural areas of Udupi district'. The study examines women's spending and investing behaviours in rural areas. A study concluded that it is important to educate rural women on the benefits of long-term investments and increase their financial knowledge to strengthen their savings and investing habits.

5. **Agarwal, P. (2020),** studied on 'Awareness and Investment Preferences of Women: An Empirical Study on Working and Non-Working Females'. He found that, tax savings plans are essential for raising buying power, women have knowledge of

older programmes. Although they still rely on life insurance, they should be informed of other plans.

6. Gangwani, S., & Al Mazyad, H. A. (2020) observed in the research paper entitled 'Investment Behaviour of Working Women in India' and found that working women's investment decisions were influenced by their own instinct, their husband, parents, and the organization in which they work. Bank deposit, insurance, and debenture were the most preferred tools for investment. Variability in return, safety principal, and low liquidity were the most common problems associated with investment. Working women were more confident in their ability to select financial instruments, but had low complete knowledge of available financial instruments.

1.3 Origin of the Research Problem :

In order to channelize the household savings into productive investment, it becomes important to motivate and encourage women to invest in financial assets. Government, regulatory bodies like RBI, IRDA, SEBI, PFRDA, Banks and Financial Institutions are taking steps in this direction. Various surveys and studies are undertaken to understand the savings and investment pattern along with the risk and return profile of households. Reserve Bank of India (RBI) has also organized 'Financial Literacy' programmes to educate the households in the financial domain. However, these surveys and studies has been targeted the earnings of members of the households, which most of the times turn out to be a male member. But, most of the times, in houses where both the couples are earning the studies are related to male members income, saving and investment pattern. Most of the times the savings and investments of female members don't reflected in the surveys and studies. It is necessary to study the savings and investment pattern of the female members of the family to encourage investment of their savings. To study the problems faced by the Self-employed women are considered in this research project, which will definitely help for canalize their savings into investment.

1.4 Statement of Problem:

Self-employed women struggle to establish efficient saving and investing habits despite their rising employment rates and increased economic independence. Their capacity to build money, make plans for the future, and attain financial stability is hampered by their lack of financial knowledge, poor access to financial services, and social prejudices. As a result, it's important to recognize and solve the obstacles that self-employed women face and to develop targeted tactics to encourage their saving and investing habits, giving them the power to make wise financial decisions and ensure their financial security.

1.5 Need of the Study :

To formulate appropriate policies to boost the savings and investment of the nation, it is important that economic planners have a true and fair idea about the behavior of savings and investments of Self-employed women. It is also necessary to know the motives of savings and investment in order to frame a policy. The prepared policy will help to design and implement savings and investment stimulate effectively. This research becomes very important in order to understand the patterns of savings and capital formation for the country.

1.6 Objective of the Study:

1. To examine the saving habits of working women who are self-employed and to pinpoint the variables that affect their saving choices.
2. To learn more about how financial literacy and awareness affect the ways that self-employed working women save and invest.
3. To identify the obstacles and barriers that self-employed working women encounter while saving and investing and to recommend methods to overcome such challenges.
4. To compare the saving and investing habits of self-employed working women based on demographic parameters.
5. To aware self-employed working women on the value of saving and investing for long-term financial security and wealth building.
6. To give some suggestions on the basis of study.

1.7 Hypothesis of the study:

Hypothesis:1

H0 : There is correlation between demographic factors and saving behaviour amongst the self-employed women.

H1 : There is no correlation between demographic factors and saving behaviour amongst the self-employed women.

Hypothesis:2

H0 : There is association between education and saving strategies amongst the self-employed women.

H1 : There is no association between education and saving strategies amongst the self-employed women.

Hypothesis: 3

H0 : There is positive correlation between income and saving amongst the self-employed women.

H1 : There is negative correlation between income and saving amongst the self-employed women.

Hypothesis: 4

H0: There is no association between financial literacy and investment pattern of self-employed women.

H1: There is association between financial literacy and investment pattern of self-employed women.

Hypothesis: 5

Ho : There is no association between financial obligations in short-term as well as long-term and investment pattern amongst the self-employed women.

H1 : There is association between financial obligations in short-term as well as long-term and investment pattern amongst the self-employed women.

1.8 Research Methodology

The study is explorative and descriptive in nature. Primary data as well as secondary data will be used for the study.

a) Sample Size: The Latur district had 24,54,196 residents as of the 2011 census, with 12,73,140 males and 11,81,056 women residing there. The study's participants will be selected from among all females who work for themselves. The samples were selected using a simple random sampling procedure. The population was estimated using the commonly used formula below, which resulted in a minimum sample size of 386.

$$n = \frac{n_0 \times N}{n + (N - 1)}$$

where, n = sample size, n_0 = Proportion of unknown population, N = Known population size. To increase the study's trustworthiness, the researcher increased the sample size to 500.

b) Primary Data: Primary data will be collected by using a structured questionnaire method.

c) Secondary Data: Secondary data will be collected from published sources like Government Reports, Research papers and academic journals, financial institutions, Small business administration, etc.

d) Presentation and analysis of data: Various statistical tools such as Microsoft Excel, SPSS software, Mean, Standard deviation, Correlation, Chi-square test, Mann Whitney U-Test, Friedman t-test, Likert Scale, etc. will be used for the

analysis and interpretation the data. The data will also be presented by using graphs and diagrams.

e) Sample Selection :

Latur district is taken for the study which consists five sub-divisions viz., Latur, Ausa, Nilanga, Udgir and Ahmedpur. Latur district is divided into 10 talukas. All self-employed female will be considered for the study.

The researcher used Census Method of sampling to select the talukas. Random sampling has been applied to draw sample respondents from each sub-divisions. Total numbers of self-employed female in all ten talukas will be taken into account. 100 sample respondents will be selected from each sub-division of Latur District. Total 500 samples will be selected.

Selection of Samples

Sr. No.	Sub-Division	Talukas	Sample Selection
1	Ahmedpur	Ahmedpur, Chakur	100
2	Ausa	Ausa, Renapur	100
3	Latur	Latur	100
4	Nilanga	Nilanga, Shirur Anantpal, Deoni	100
5	Udgir	Udgir, Jalkot	100
		Total	**500**

This data is related to finance. So the margin of error will be 10%, and the confidence level will be 90%.

f) Year -wise Plan of work and targets to be achieved:

Phase	**Targeted to be achieved**
Phase I(5 months)	Course Work
Phase II (3 months)	Review of Literature
Phase III (4 months)	Finalisation of research topic
Phase IV (4 months)	Pilot study and sampling
Phase V (3 months)	Collection of Data
Phase VI (5 months)	Data classification and tabulation, presentation of annual progress
Phase VII (4 months)	Analysis of Data
Phase VIII (4 months)	Preparation of report
Phase IX (4 months)	Submission Research Report
Total	**3 years**

g) Targeted Audience

Self-employed women are among the target demographic, with examples being freelancers, small business owners, professional service providers, online entrepreneurs, contractors and tradeswomen, Business based on the agricultural products, and others.

1.9 Scope of the Study :

The present study focuses on financial savings and investment of self -employed women of Latur district. The various variables may be tested in the study i.e. occupation, educational qualification, age, etc. The factors which affects on women investment decision will be identified. Through analysis the differences will be identified between variables with regard to their savings and investment pattern.

1.10 Periodical Scope:

For the present study the self-employed females will be considered for the present study. The women running their business minimum during last five financial years will be considered as a sample.

1.11 Limitations of the Study:

1. The study is limited only for the Latur district.
2. The study is related to self-employed women only.
3. The study is related to financial matter, so there is a possibility of inaccuracy in collection of Data.
4. Unwillingness of respondents to disclose the amount of savings and investments will affect on the conclusions.

1.12 Chapter Scheme

Chapter I: Introduction:

The introductory chapter discusses the study's introduction and research design. It covers the introduction, the relevance of the study, the necessity of saving and investing, the ideas, the explanation of the problem, the objectives, the hypothesis, the research design, the limits, and the chapter organisation.

Chapter II: Review of Literature:

The second chapter analyses the relevant literature of studies on this topic conducted by various scholars in the past.

Chapter III: Data Analysis:

The third chapter, titled 'Saving and Investment patterns of Self-Employed Women: A Theoretical Perspective,' focuses on several problems concerning the nature, motive, and amount of saving and investment undertaken by household persons in India, particularly working women.

Chapter IV: The testing of hypothesis:

The fourth chapter examines the factors influencing self-employed women's savings and investment practises.

Chapter V: The fifth chapter summarises the study's results, recommendations, and conclusions.

1.13 References:

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Miss. Amruta Dinkar Savalsure
Research Student

Dr. V.D.Dhumal
Research Supervisor